

By: _____ .B. No. _____

Substitute the following for .B. No. _____:

By: _____ C.S. .B. No. _____

A BILL TO BE ENTITLED

AN ACT

relating to certain distributed electricity resources.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 35, Utilities Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. DISTRIBUTED RENEWABLE GENERATION AND DISTRIBUTED
ENERGY STORAGE

Sec. 35.201. DEFINITIONS. In this subchapter:

(1) "Distributed renewable generation" has the meaning assigned by Section 39.916.

(2) "Distributed energy storage" has the meaning assigned by Section 39.9165.

Sec. 35.202. OWNER OR OPERATOR USE. (a) An owner or operator of distributed renewable generation or distributed energy storage that is installed on the retail electric customer's side of the meter is entitled to use the generation or storage to sell electricity or ancillary services at wholesale in a manner consistent with the provisions of this title.

(b) A retail electric customer described by Subsection (a) is not required to register as a power generation company under Section 39.351(a).

SECTION 2. Subchapter Z, Chapter 39, Utilities Code, is amended by adding Section 39.9165 to read as follows:

Sec. 39.9165. DEVICES USED WITH DISTRIBUTED RENEWABLE

1 GENERATION AND DISTRIBUTED ENERGY STORAGE. (a) In this section:

2 (1) "Distributed renewable generation" has the
3 meaning assigned by Section 39.916.

4 (2) "Distributed energy storage" means electric
5 energy storage with a capacity of not more than 2,000 kilowatts that
6 is installed on a retail electric customer's side of the meter.

7 (3) "Owner" means:

8 (A) an owner of distributed renewable
9 generation;

10 (B) an owner of distributed energy storage;

11 (C) an owner of distributed renewable generation
12 and distributed energy storage;

13 (D) a retail electric customer on whose side of
14 the meter distributed renewable generation or distributed energy
15 storage is installed and operated regardless of whether the
16 customer takes ownership of the generation or storage; or

17 (E) a person who by contract is assigned
18 ownership rights to energy produced from distributed renewable
19 generation or distributed energy storage located at the premises of
20 the customer on the customer's side of the meter.

21 (b) An electric utility shall allow an owner to use an
22 owner-supplied, UL-certified device designed to isolate and
23 disconnect household loads on the retail electric customer's side
24 of the meter.

25 SECTION 3. This Act takes effect September 1, 2021.